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ASSIGNMENT OF LESSOR'S INTEREST IN LEASE

ASSIGNMENT OF LESSOR'S INTEREST IN LEASE (this "Agreement") made as of November 30, 1998, by Railcar, Ltd., a Georgia corporation ("LTD"), and Progress Rail Services Corporation, an Alabama corporation ("PRSC") (LTD and PRSC are referred to herein collectively and individually as "Lessor"), in favor of The First National Bank of Maryland, a national banking association ("FM").

"Cars" means the railroad cars identified on the exhibit attached hereto entitled "Description of Railcars."

"Lease" means the Lease Agreement dated as of December 18, 1996, and the related Rider No. 3 dated as of March 23, 1998, as amended to date, between Railcar, Ltd. (as agent for owner, namely, Progress Rail Services Corporation), as lessor, and Norfolk Southern Railway Company, as lessee, relating to the Cars.

Pursuant to the Assignment Agreement dated as of November 30, 1998, between Railcar, Ltd., Progress Rail Services Corporation, and FM, Lessor has sold to FM all of Lessor's right, title and interest in and to the Cars. In connection with the sale of the Cars, Lessor desires to assign to FM all of Lessor's right, title and interest in and to the Lease.

NOW, THEREFORE, in consideration of the premises and other valuable consideration, the receipt of which is hereby acknowledged, Lessor hereby agrees with FM as follows:

1. Assignment. Lessor hereby assigns to FM all of Lessor's right, title and interest in and to the Lease, including, without limitation, all rent payable with respect to the Cars.

2. Representations and Warranties. Lessor hereby represents and warrants to FM the following:

- (a) to the knowledge of Lessor, there are no defaults or events of default under the Lease;
- (b) the Lease is presently in full force and effect;
- (c) no rent under the Lease has been paid in advance;
- (d) except as otherwise stated herein, Lessor has not assigned, encumbered or transferred in any way its interest in the Lease; and
- (e) a complete copy of the Lease is attached hereto as Exhibit A.

3. Additional Instruments. Lessor shall execute and deliver such further instruments and take such actions as shall be reasonably required in order to carry out the transactions contemplated by this Agreement.

4. Miscellaneous Provisions.

(a) Entire Agreement. This Agreement comprises the complete understanding of the parties and there are no understandings, either written or oral, except as specifically set forth in this Agreement. No changes may be made in this Agreement unless specifically reduced to writing and accepted by both parties. All prior negotiations and understandings of the parties are deemed merged into this Agreement.

(b) Amendment and Waiver. This Agreement may be amended, or any portion of this Agreement may be waived, provided that such amendment or waiver shall be in writing, executed by the parties to which any particular provision specifically relates and all such amendments and waivers made shall be binding upon the parties. No course of dealing between or among any persons having any interest in this Agreement shall be deemed effective to modify, amend or discharge any part of this Agreement or any rights or obligations of any person under or by reason of this Agreement.

(c) Inurement to Benefit of Assigns. All of the terms and provisions of this Agreement shall be binding upon, apply and inure to the benefit of the parties, their respective successors and assigns.

(d) Severability. Each of the terms and provisions of this Agreement, except for the payment of the purchase price to Seller, is and is deemed to be severable, in whole or in part, and, if any term or provision or their application in any circumstance should be invalid, illegal or unenforceable, the remaining terms and provisions or their application, to circumstances other than those as to which it is held invalid, illegal or unenforceable, shall not be affected and shall remain in full force and effect.

(e) Exhibits and Schedules. All exhibits and schedules attached to this Agreement are incorporated and made a part of this Agreement by reference.

(f) Paragraph Headings. All paragraph and subparagraph headings are for convenience of reference only and shall not be used in interpreting this Agreement.

(g) Rights and Remedies. All rights and remedies granted any of the parties under this Agreement shall be cumulative.

(h) Survival of Representatives and Warranties. All representations, warranties and indemnifications shall survive the closing of the transactions contemplated by this Agreement.

(i) Governing Law. The law of the State of Maryland shall govern all questions concerning the construction, validity and interpretation of this Agreement and the performance of the obligations imposed by this Agreement.

(j) Construction. As used herein, any reference to the masculine, feminine or neuter gender shall include all genders, the plural shall include the singular, and the singular shall include the plural. This Agreement and all instruments executed to consummate the transactions contemplated shall be deemed to have been mutually negotiated, prepared and drafted, and in the event of its interpretation no consideration shall be given to the issue of which party prepared, drafted or requested any term, condition or agreement.

[Execution on next page; remainder of this page intentionally left blank]

IN WITNESS WHEREOF, LTD and PRSC have executed this Assignment of Lessor's Interest in Lease under seal by their duly authorized officers as of the day and year first written above.

RAILCAR, LTD.

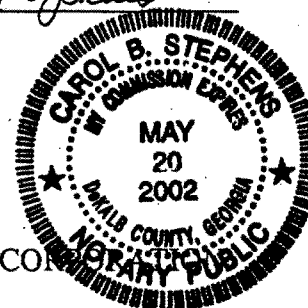
By: [Signature] (SEAL)
Name/Title: Eugene M. Martini / EVP

State of Georgia, County of Fulton

On November 30, 1998, before me personally appeared Eugene M. Martini, to me personally known, who being by me duly sworn says that he is Executive V. Pres of Railcar, Ltd., a Georgia corporation, and that he executed the foregoing instrument on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Signature]
Notary Public
My commission expires:

[NOTARIAL SEAL]



PROGRESS RAIL SERVICES CORPORATION

By: _____ (SEAL)
Name/Title: _____

State of Alabama, County of Marshall

On _____, 1998, before me personally appeared _____, to me personally known, who being by me duly sworn says that he is _____ of Progress Rail Services Corporation, an Alabama corporation, and that he executed the foregoing instrument on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public
My commission expires:

[NOTARIAL SEAL]

IN WITNESS WHEREOF, LTD and PRSC have executed this Assignment of Lessor's Interest in Lease under seal by their duly authorized officers as of the day and year first written above.

RAILCAR, LTD.

By: _____ (SEAL)
Name/Title: _____

State of Georgia, County of Fulton

On _____, 1998, before me personally appeared _____, to me personally known, who being by me duly sworn says that he is _____ of Railcar, Ltd., a Georgia corporation, and that he executed the foregoing instrument on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public
My commission expires:

[NOTARIAL SEAL]

PROGRESS RAIL SERVICES CORPORATION

By: Michael V. Bombino (SEAL)
Name/Title: Michael V. Bombino / Senior Vice President and Chief Financial Officer

State of Alabama, County of Marshall

On November 30, 1998, before me personally appeared Michael V. Bombino, to me personally known, who being by me duly sworn says that he is Senior Vice President + Chief Financial Officer of Progress Rail Services Corporation, an Alabama corporation, and that he executed the foregoing instrument on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Diane W. Eakin
Notary Public
My commission expires: June 30, 2001

[NOTARIAL SEAL]

DESCRIPTION OF RAILCARS

Lessee: Norfolk Southern Railway Company

Number of Cars in Lease: 40

Description of Cars: 3400 cubic foot, 100-ton, all steel, triple pocket, manual discharge coal hoppers.

Car Marks and Numbers:

SPSX 41744 , SPSX 472121, SPSX 472438, SPSX 472942, SPSX 473292, SPSX 475526, SPSX 476348, SPSX 476386, SPSX 476631, SPSX 476661, SPSX 477475, SPSX 478144, SPSX 478737, SPSX 478802, SPSX 478898, SPSX 479912, SPSX 480034, SPSX 480402, SPSX 480908, SPSX 481023, SPSX 481179, SPSX 481596, SPSX 481816, SPSX 481881, SPSX 482012, SPSX 482036, SPSX 482185, SPSX 482205, SPSX 482246, SPSX 482497, SPSX 482575, SPSX 482658, SPSX 482706, SPSX 482951, SPSX 483255, SPSX 483439, SPSX 483818, SPSX 484130, SPSX 488686, SPSX 980305.